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The role of digital and social media marketing in consumer behavior

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This article reviews recently published research about consumers in digital and social media marketing settings. Five themes are identified: (i) consumer digital culture, (ii) responses to digital advertising, (iii) effects of digital environments on consumer behavior, (iv) mobile environments, and (v) online word of mouth (WOM). Collectively these articles shed light from many different angles on how consumers experience, influence, and are influenced by the digital environments in which they are situated as part of their daily lives. Much is still to be understood, and existing knowledge tends to be disproportionately focused on WOM, which is only part of the digital consumer experience. Several directions for future research are advanced to encourage researchers to consider a broader range of phenomena.

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Introduction

Using the internet, social media, mobile apps, and other digital communication technologies has become part of billions of people's daily lives. For instance, the current rate of internet use among American adults is about 87% and is closer to 100% for demographic groups such as college-educated and higher-income adults [1]. Younger people — the next generation of mass consumers — have similarly high levels [2]. People also spend increasing time online. For example, in the UK, over the last decade the number of hours spent online by adults has more than doubled, and now averages 20.5 hours per week [3]. Social media has fueled part of this growth: worldwide there are now more than 2 billion people using social media [4], and Facebook alone now has approximately 1 billion active users per day [5].

Clearly, people are exposing themselves to more and more digital and social media. This is for many purposes, including in their roles as consumers as they search for information about products,[1] purchase and consume them, and communicate with others about their experiences. Marketers have responded to this fundamental shift by increasing their use of digital marketing channels. In fact, by 2017 approximately one-third of global advertising spending is forecast to be in digital channels [6]. Thus, future consumer marketing will largely be carried out in digital settings, particularly social media and mobile. It is therefore necessary for consumer research to examine and understand consumer behavior in digital environments. This has been happening over the last decade, with increasing amounts of research focusing on digital consumer behavior issues. The literature is still relatively nascent, however, and more research is of course needed — particularly given the ever-changing nature of the digital/social media/mobile environments in which consumers are situated and interact with brands and each other. This article attempts to take stock of very recent developments on these issues in the consumer behavior/psychology literature, and in doing so hopes to spur new, relevant research.

This review is based on articles published in between January 2013 and September 2015 in the four leading consumer research journals: *Journal of Consumer Research* (JCR), *Journal of Consumer Psychology* (JCP), *Journal of Marketing* (JM), and *Journal of Marketing Research* (JMR). Articles related to digital marketing, social media, and online word of mouth are featured in this review. In total, 29 articles were published on these topics in the consumer behavior literature in the last few years, suggesting that this is an increasingly popular domain within consumer research. In addition to these articles, there were three review articles worth mentioning: (i) Berger's review of word-of-mouth and interpersonal communication research [7•], (ii) You *et al.*'s meta-analysis of online word-of-mouth effects [8•], and (iii) Yadav and Pavlou's review of marketing in computer-mediated environments [9•].

Research themes and findings

Five distinct research themes are covered by the recent consumer research on digital marketing and social media.

[1] For convenience, I use the term product throughout this article to refer to any kind of marketed offer from a firm. This can include specific products or services, as well as brands (multiple products or services) as a whole.

The five themes are (i) consumer digital culture, (ii) advertising, (iii) impacts of digital environments, (iv) mobile, and (v) online WOM and reviews. The most popular themes were online WOM, which was covered by almost half of the articles, and advertising, represented by slightly over one-quarter of the articles. I now discuss each theme.

Consumer digital culture

Consumer digital culture research considers, quite deeply, the digital environments in which consumers are situated. A key aspect of this work has been understanding how consumers' identities and self concepts extend into digital worlds, such as work by Belk [10,11]. Belk [10] extended his prior work on the 'extended self' to incorporate the digital environments in which consumers now situate themselves, which is an important piece of theory development because it considers concepts such as the ability for consumers to have multiple selves due to possessing multiple online 'personas.' Belk also suggests many areas for future research. Other research under this theme looked at more specific phenomena. McQuarrie *et al.* [12] focused on fashion blogging as a means of documenting the 'megaphone effect,' which is the ability for regular consumers to access large audiences through digital/social media. This is an important effect and they discussed how bloggers go about building audiences and accumulating social (or cultural) capital through demonstrations of good taste. This is in a specific setting, but has implications for understanding consumers' content-generation behaviors on social media more generally, since signaling positive personal attributes is likely a common motivation for posting certain things on sites like Facebook. Together, these articles make an important conceptual contribution around how we see consumers in a digital world, particularly by implying an expanded conception of what it is to be a consumer in today's digital world.

Advertising

Digital advertising is a major topic in the marketing literature and, with respect to consumer behavior, considers how consumers respond to various aspects of digital ads. A number of recent articles considered behavioral aspects of digital advertising from various perspectives. One interesting perspective taken in a few articles [13–15] was based around how to overcome (assumed) psychological reactance due to personalization of digital ad targeting. Schumann *et al.* [13] considered how negative reactions to personalization could be overcome with normative reciprocity appeals (instead of utility appeals). Lambrecht and Tucker [14••] studied ad retargeting, which is when personalized recommendations based on prior web-browsing history are made when a consumer returns to a website. Negative responses to retargeting are found, but this is mitigated when consumers' preferences have become more refined. Tucker [15••] found that personalized website ads are more favorably received when consumers have a higher perception of being in control of the personal/private information used for personalization, which directly corresponds to literature on psychological reactance and suggests a theoretical way forward for research into consumer digital privacy, which is lacking.

Other articles considered a variety of digital ad response aspects [16,17,18••,19,20•]. Luo *et al.* [16] looked at drivers of popularity for group-buying ads (i.e., Groupon-like 'daily deals'), finding social influence to be a major driver of popularity. Jerath *et al.* [17] studied responses to search engine advertising, finding that when consumers search for less-popular keywords their searches are more effortful. Puccinelli *et al.* [18••], for digital video ads (e.g., those run on sites like Hulu and YouTube) considered how emotion in the content (e.g., TV show) combined with the energy levels of the ads to affect consumers' responses, finding that affective matching between content and ad matters such that when consumers experience 'deactivating' emotions (e.g., sadness) it is harder to view energetic ads. Dinner *et al.* [19] considered how digital display and search ads drive online and offline purchasing for a retailer, finding that digital ads are more effective than offline ads in driving online behavior. Finally, Goldstein *et al.* [20•] studied 'annoying' (e.g., obtrusive, low quality) website ads and showed how they create economic costs for advertisers and cognitive costs for consumers.

Impacts of digital environments

A still-emerging theme in recent years is how digital/social media environments impact consumer behavior [21–23]. The consequences can be thought of as environment-integral (i.e., digital environments influence behavior in those environments) or environment-incidental (i.e., digital environments influence behavior in other, unrelated environments). It is interesting to see how the various informational and social characteristics of digital/social environments, such as being exposed to other consumers' opinions (e.g., reviews) or choices (e.g., bids in online auctions), or even just to friends' lives through social media, can impact subsequent behaviors. For instance, with respect to environment-integral consequences, Lamberton *et al.* [21] and Norton *et al.* [22•] considered learning from others in digital environments and identified how such observations can affect individuals' decisions in those environments as well as the inferences they make about strangers. Adopting a different perspective, Wilcox and Stephen [23] examined an environment-incidental response with respect to how using Facebook affected self-control. They found that when exposed to closer friends on Facebook, consumers subsequently exhibited lower self-control in choices related, for example, healthy behaviors (e.g., choosing a healthier snack over an unhealthy option). This was only for people who were exposed to closer friends on Facebook, however.

Mobile

Consumer behavior in mobile settings is increasingly important, as consumers use mobile devices more frequently. This is particularly interesting in shopping contexts. In an in-store shopping setting, Hui *et al.* [24] studied how consumers respond to mobile offers when in physical stores, by seeing how mobile coupons can change paths consumers take. In an online shopping setting, Brasel and Gips [25••] focused on shopping on mobile devices (e.g., tablets) and specifically on how touching products (instead of clicking with a mouse) can increase feelings of psychological ownership and endowment. This is an interesting contribution because work on how consumers physically interface with mobile devices and how that influences decision making is scant but, as this article showed, important. Unrelated to shopping, is work by Bart *et al.* [26•] that considered how mobile display ads — which are very small and carry very little (if any) information — influence consumers' brand attitudes and purchase intentions. They found that in many product categories mobile display ads have no effect, but that they do lift attitudes and intentions for high-involvement, utilitarian products.

Online WOM and reviews

This was the most-represented topic across all articles in this review, which is unsurprising given the reliance consumers seem to have on socially sourced online information. A number of subthemes were covered recently. First, an interesting set of articles considered linguistic properties of online WOM and/or reviews [27•,28••,29••,30,31•,32•,33••], generally showing how perceptions of reviews and therefore how influential they are can depend on subtle language-based properties. For instance, Kronrod and Danziger [27•] showed that figurative language in online reviews positively affected consumer attitudes and choice for hedonic goods. Moore [28••] considered explanatory language in online reviews, finding that whether consumers explained actions or reactions affected perceived review helpfulness. Hamilton *et al.* [29••] considered negative WOM, finding that using softening language when conveying negative opinions increases perceived reviewer credibility and likability. Tang *et al.* [30] considered two kinds of neutral language, mixed (positive and negative) versus indifferent, showing that neutral WOM strengthens the direct effects of positive and negative WOM on purchasing if it is mixed. Ludwig *et al.* [31•] studied affective language in reviews and if a review's linguistic style is consistent with the typical linguistic style used for that product group, finding that positive affect increases conversions (but at a diminishing rate), negative affect decreases conversions, and congruent linguistic styles are beneficial. Chen and Lurie [32•] examined temporal contiguity language in online reviews (i.e., reviewers indicating they recently had the experience), finding that the temporary contiguity cues in language reduce consumer bias toward positive reviews (e.g., the discounting of positive opinions) and increase review value.

Another important topic recently examined is differences between online and offline WOM. Lovett *et al.* [33••] found that online WOM is driven by social and functional brand characteristics whereas offline WOM is driven by emotional brand characteristics, based on a large dataset of brand WOM in online and offline settings. Taking a narrower but nevertheless important perspective, Eisingerich *et al.* [34] studied differences between transmitting WOM in social media (e.g., on Facebook) versus offline (in person), showing that consumers are less inclined to transmit WOM in social media because of a higher perceived social risk.

Finally, other recent articles considered other online WOM-related issues. For instance, He and Bond [35] considered when online reviews provide good versus bad forecasts of consumer brand enjoyment, finding that the relative forecast error depends on how similar the reviewer's and consumer's preferences are. Cascio *et al.* [36] identified neural correlates of susceptibility to others' opinions in online WOM settings, with susceptibility to social influence being related to brain regions involved with shifting personal preferences and considering others. He and Bond [37] focused on sets of online reviews (cf. single reviews) and considered how consumers interpret opinion dispersion and whether it is attributed the product or to reviewers' tastes being heterogeneous. Anderson and Simester [38] documented the prevalence of deceptive reviews posted by people who have not purchased a product, suggesting that the practice is not limited to competitors but includes existing customers with no financial incentive to bias online ratings. Finally, Barasch and Berger [39•] examined social transmission behavior when consumers broadcast (to many, e.g., through mass-audience posts on Facebook or Twitter) versus narrowcast (to few, e.g., through messages to a few friends), finding that people share information that will be helpful to receivers when narrowcasting (i.e., other focus), but share information that makes themselves not look bad when broadcasting (i.e., self focus).

Recommendations for future research

The digital/social media consumer behavior literature is fast-growing and largely focuses on phenomena that are practically relevant and theoretically interesting. Researchers have mostly considered how consumers use information (e.g., online WOM, reviews) available to them in digital/social media environments. Future research should continue this approach, although in a more expanded fashion. Consumers' behaviors other than those related to online WOM/reviews should be considered, and other types of information found (and inferences made) in online

environments should be considered. For example, it would be interesting to consider the complex interplay between transmitter, receiver, linguistic/content, and context factors when it comes to antecedents and consequences of online WOM.

Another high-potential direction for future research is to consider how various kinds of digital environments (including social media and mobile) impact a wide variety of consumer outcomes, including psychological and economic constructs. Few articles have done this, though it is likely that a multitude of consumer outcomes are influenced by the digital environments in which they are increasingly situated. It is also possible that some adverse consequences may be found, similar to Wilcox and Stephen's [23] finding linking Facebook use to lower self control. In addition to this, the ways that consumers physically interact (i.e., interfaces) with digital environments needs deeper exploration, given what Brasel and Gips [25••] found in terms of feelings of endowment when using touch-based interfaces to shop. In studying the impacts of digital environments on consumers, it will also be necessary to consider longer-term responses because some of these effects may be subtle but cumulatively important. Thus, one-shot experimental studies may need to be complemented by longitudinal experiments and archival data capturing consumers' digital exposures, online social interactions, and behaviors over time.

Finally, researchers should consider emerging important topics, particularly consumer privacy issues in the context of digital marketing and social media. Tucker [15••] considered this to an extent, though a comprehensive understanding of how consumers think about their privacy, what they want to do to protect it, and how they value (or devalue) digital media services that protect (or not) privacy is needed.

In conclusion, there has been much activity in the consumer behavior/psychology literature in recent years, and many important contributions to knowledge have been made. To move this literature forward, particularly given the fast-moving nature of digital settings, research that attempts to broaden our understandings of key phenomena, examines brand-new phenomena, and develops theories in an area that lacks an established theoretical base will be most valuable.

Conflict of interest statement

Nothing declared.

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Retargeting means that consumers are targeted with personalized ads designed based on prior browsing history when they return to a website. The authors report a field experiment on a travel website and find that, generally, retargeted ads do worse than control ads that are generic/not personalized. This negative response is not found if, based on browsing histories, consumers' preferences have evolved in the sense that they have gotten more precise.

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The authors show that using Facebook, even for just five minutes, can potentially lower subsequent self-control in unrelated tasks (e.g., persistence with a mentally challenging task, healthy food choices). This effect occurs when consumers' Facebook 'friends' are mostly strong ties (more close friends than acquaintances), and, perversely, occurs because time on Facebook being exposed to the lives of one's reasonably close friends boosts self-esteem (which in turn lowers self-control).

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